

DAVID S. LAPP
PEOPLE'S COUNSEL

WILLIAM F. FIELDS
DEPUTY PEOPLE'S COUNSEL

JULIANA BELL
DEPUTY PEOPLE'S COUNSEL

— **OPC** —

OFFICE OF PEOPLE'S COUNSEL
State of Maryland

6 ST. PAUL STREET, SUITE 2102
BALTIMORE, MARYLAND 21202
WWW.OPC.MARYLAND.GOV

BRANDI NIELAND
DIRECTOR, CONSUMER
ASSISTANCE UNIT

BILL NO.: House Bill 834
Electric Vehicle Charging Infrastructure - Requirements
(Electric Vehicle Charging Reliability Act)

COMMITTEE: Education, Energy, and the Environment

HEARING DATE: March 28, 2023

SPONSOR: Delegates Fraser-Hidalgo, Terrasa, Barve & Reznik

POSITION: Favorable

The Office of People's Counsel ("OPC") supports House Bill 834. By extending the EV Pilot Program to allow participating electric companies to install EV charging stations in multifamily dwellings in "underserved communities," HB 834 would help to expand EV charging infrastructure, especially for low- and moderate-income customers. The bill also requires an electric company operating an EV charging network to ensure those charging stations have an average annual "uptime"—defined in the bill as "the availability and consistency of an EV charging station"—of 97% or greater.

While we support State involvement in expanding investment in electric vehicle and charging stations, as a general rule those policies should be advanced by encouraging a robust competitive market as opposed to funding those investments and incentives through utility customer rates. Allowing monopoly utilities to take on EV infrastructure development raises issues such as the impacts on utility customers, the cost effectiveness of the program, and potential impediments to competition in the market for EV charging stations.

If, however, utility monopolies are allowed to participate in the competitive EV charging market—as they are under the existing EV Pilot Program—their involvement is least regressive if it is tailored to the installation of EV charging stations in low-income communities. Utility customers in low-income communities are not likely to be early adopters of EVs even though they bear the costs of utility programs. Further, HB 834

appropriately requires the utility charging stations to meet performance requirements—defined in HB 834 as “an average annual uptime of 97% or greater.”

OPC strongly supports amendments passed by the House, which (1) limit covered charging stations to Level 2 chargers; (2) subject any expansion of the pilot program to “reasonable cost limitations balanced with the public interest;” and (3) provide a sunset date of December 31, 2025, to the EV Pilot Program expansion provided in the bill. All three changes will help to contain the costs associated with this expansion of the EV pilot program and ultimately borne by ratepayers. Adding a sunset provision for the expansion is also consistent with the existing EV pilot program and establishes a firm deadline for re-evaluating the appropriate role for the utilities in the EV markets and the effect of ratepayer subsidized investments on competition and innovation.

Recommendation: OPC requests a favorable Committee report on HB 834 as amended by the House.